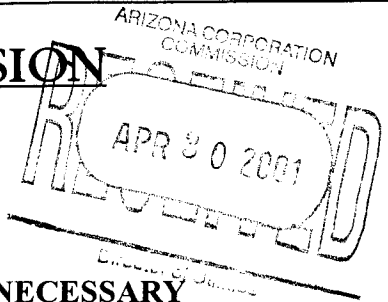


4-30-01
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

A

W-02494A WATER
ASHCREEK WATER CO.
1316 E KENWOOD CIRCLE
MESA AZ 85203-0000

Box 182 Central Az 85531

Changed address

ASH CREEK WATER CO., L.L.
BOX 182
CENTRAL, AZ 85531

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

ANN04	00
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ASH CREEK WATER CO., L.L.

BOX 182
CENTRAL, AZ 85531COMPANY INFORMATION

ASH CREEK WATER CO., L.L.

BOX 182
CENTRAL, AZ 85531Company Name (Business Name) ASH CREEK WATER CO.Mailing Address Box 182Central AZ 85531
(City) (State) (Zip)520 428 1078 None None
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)Email Address NoneLocal Office Mailing Address Box 182
(Street)Central AZ 85531
(City) (State) (Zip)520 428 1078 None None
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)Email Address NoneMANAGEMENT INFORMATIONManagement Contact: Vera P McLeod Managing Partner
(Name) (Title)Box 185 Central AZ 85531
(Street) (City) (State) (Zip)520 428 1078 None None
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)Email Address None N.On Site Manager: MR. Robin C. Smith
(Name)956 Stratton Dr. Safford AZ 85546
(Street) (City) (State) (Zip)520 428 1078
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)Email Address —

Statutory Agent: Vero Pearl McLEOD
 (Name)

1105 West Kelation St Safford Az 85546
 (Street) (City) (State) (Zip)

520 428 1078 _____
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Mark Smith Bryce
 (Name)

605 Main St Safford Az 85546
 (Street) (City) (State) (Zip)

520 428.1800 _____
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input checked="" type="checkbox"/> Partnership (P) <u>L.L.C.</u> | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

**ASH CREEK WATER CO., L.L.
 BOX 182**

CENTRAL, AZ 85531

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input checked="" type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

**ASH CREEK WATER CO., L.L.
BOX 182**

COMPANY NAME

CENTRAL, AZ 85531

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD) 5%	O.C.L.D. (OC less AD)
301	Organization	650	—	650
302	Franchises	—	—	—
303	Land and Land Rights	1000	—	1000
304	Structures and Improvements	443	266	177
307	Wells and Springs	6520	—	6520
311	Pumping Equipment	6070	3053	3017
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	1443	645	798
331	Transmission and Distribution Mains	64,017	36,988	27,029
333	Services	—	—	—
334	Meters and Meter Installations	14,200	6666	7534
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	2000	950	1050
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	1700	670	
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	98,043	49,238	47,775

This amount goes on the Balance Sheet Acct. No. 108

ASH CREEK WATER CO., L.L.
BOX 182
CENTRAL, AZ 85531

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	650	0	0
302	Franchises	—	—	—
303	Land and Land Rights	1000	0	0
304	Structures and Improvements	443	5.0	22
307	Wells and Springs	6520	10	0
311	Pumping Equipment	6070	5.0	303
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	1443	5.0	72
331	Transmission and Distribution Mains	64017	5.0	3200
333	Services	—	—	—
334	Meters and Meter Installations	14200	5.0	710
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	2000	5.0	100
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	1700	5.0	85
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	98,043	5.0	4492

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

**ASH CREEK WATER CO., L.L.
BOX 182**

COMPANY NAME

CENTRAL, AZ 85531

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 3,609.98	\$ 9,659.74
134	Working Funds	—	
135	Temporary Cash Investments	—	
141	Customer Accounts Receivable	2,456.52	3,310.02
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	2,937.00	2,673.28
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 9,003.50	\$ 15,643.04
	FIXED ASSETS		
101	Utility Plant in Service	\$ 95,363.00	\$ 98,043
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	44,746.00	49,238
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 50,614.00	\$ 48,805
	TOTAL ASSETS	\$ 59,617.50	\$ 64,448

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

ASH CREEK WATER CO., L.L.

BOX 182

COMPANY NAME

CENTRAL, AZ 85531

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 315	\$ 9000
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1200	1500
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 1,515.00	\$ 10,500
	LONG-TERM DEBT (Over 12 Months)	823500	5,758
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	825	825
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	5760	6160
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 6585	\$ 6985
	TOTAL LIABILITIES	\$ 16,335	\$ 24,470
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 16,335	\$ 30,228

COMPANY NAME

CENTRAL, AZ 85531

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 31,235	\$ 27,718
460	Unmetered Water Revenue		
474	Other Water Revenues	-180	* 495
	TOTAL REVENUES	\$ 31,415	\$ 28,213
	OPERATING EXPENSES		
601	Salaries and Wages	\$ —	\$ —
610	Purchased Water	—	—
615	Purchased Power	1963	1891
618	Chemicals	—	—
620	Repairs and Maintenance	3316	1568
621	Office Supplies and Expense	1322	1514
630	Outside Services	8982	6538
635	Water Testing <i>combined</i>	1186	—
641	Rents	3243	3780
650	Transportation Expenses	—	—
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	990	300
403	Depreciation Expense	4359	4492
408	Taxes Other Than Income		
408.11	Property Taxes	1061	—
409	Income Tax <i>Partnership</i>	0	0
	TOTAL OPERATING EXPENSES	\$ 26,422	\$
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income <i>Bank</i>	\$ 13	\$ Income 44
421	Non-Utility Income	—	—
426	Miscellaneous Non-Utility Expenses	—	—
427	Interest Expense <i>Bank</i>	108	Expense 82
	TOTAL OTHER INCOME/EXP	\$	\$
		26,543	
	NET INCOME/(LOSS)	\$ 4,872	\$ 8,174

ASH CREEK WATER CO., L.L.

BOX 182

CENTRAL, AZ 85531

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1987	1994	1995	
Source of Loan	Loan	Loan	Loan	
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 2758	\$ 3000	\$ 12500	\$
Amount Outstanding	\$ 2758	\$ 3000	\$ 0	\$
Date of Maturity	?	?		
Interest Rate	10%	10%	10%	
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$ No payment	\$ No Payment	\$ Paid	\$

Principal.

Meter Deposit Balance at Test Year End

\$ 6160

Meter Deposits Refunded During the Test Year

\$ 54.

ASH CREEK WATER CO., LL

COMPANY NAME

BOX 182

CENTRAL, AZ 85531

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
621788	1	27	8	2
621786	3	40	6	2

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
—	Nil	—
—	Nil	—

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = Unknown

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
None	—	—	—

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
None		2000	One

STATISTICAL INFORMATION

Total number of customers	<u>79</u>	
Total number of gallons sold	<u>Unknown new meter/fills</u>	gallons
	<u>with rocks/steps/cleans/steps</u>	

COMPANY NAME ASH CREEK WATER CO., L.L. YEAR ENDING 12/31/2000
BOX 182
CENTRAL, AZ 85531

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

ASH CREEK WATER CO., L.L.
BOX 182
CENTRAL, AZ 85531

COMPANY NAME

CENTRAL, AZ 85531

YEAR ENDING 12/31/2000

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax LiabilityPartnership / Not filed yetState Taxable Income Reported
Estimated or Actual State Tax LiabilityPartnership

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

6985.

Amount of Gross-Up Tax Collected

None

Total Grossed-Up Contributions/Advances

6985

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Vera C. McLeod

SIGNATURE

4-27-2001

DATE

Vera C. McLeod

PRINTED NAME

Major or
Managing Partner

TITLE

ASH CREEK WATER CO., L.L.

BOX 182

CENTRAL, AZ 85531

COMPANY NAME _____ YEAR ENDING 12/31/2000

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

ASH CREEK WATER CO., L.L.C.
BOX 182
CENTRAL, AZ 85531

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Graham, AZ.
NAME (OWNER OR OFFICIAL) TITLE	Vera McLeod
COMPANY NAME	Ash Creek Water Co L.L.C.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

s 29,736.24

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 1523.26

IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Vera C. McLeod
SIGNATURE OF OWNER OR OFFICIAL
320 428 1078
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

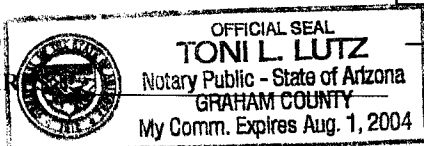
THIS

27

DAY OF

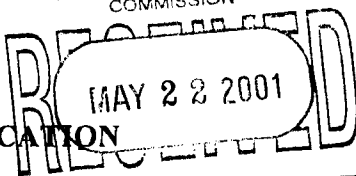
COUNTY NAME	Graham
MONTH	APRIL 20 01

(SEAL)
MY COMMISSION EXPIRES



SIGNATURE OF NOTARY PUBLIC

CARMEN MADRID 602 542-2129

ARIZONA CORPORATION
COMMISSION

VERIFICATION

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

**ASH CREEK WATER CO., L.L.C.
BOX 182
CENTRAL, AZ 85531**

STATE OF ARIZONA

(COUNTY NAME)

Graham

I, THE UNDERSIGNED

NAME (OWNER OR OFFICIAL)

Vera McLeod

TITLE

Mgt Partner

OF THE

COMPANY NAME

Ash Creek Water Co LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH

12

DAY

31

YEAR

2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 29,736.24

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1,523.26

IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Vera C McLeod
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

27

DAY OF

NOTARY PUBLIC NAME

Toni L. Lutz

COUNTY NAME

Graham

MONTH

April

2001

(SEAL)

MY COMMISSION



Toni L Lutz
SIGNATURE OF NOTARY PUBLIC